

## Message Text

UNCLASSIFIED

PAGE 01 STATE 143425

15

ORIGIN OPIC-06

INFO OCT-01 ARA-10 ISO-00 EB-07 COME-00 TRSE-00 OMB-01

/025 R

DRAFTED BY OPIC/ID/LA:BTMANSBACH

APPROVED BY EB/IFD/OIA:RJSMITH

OPIC/ID/LA:BTMANSBACH

EB/IFD/OIA:DHSTEBBING

ARA/BR:JSLATTERY

----- 091887

R 182210Z JUN 75

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

UNCLAS STATE 143425

E.O. 11652: N/A

TAGS: EINV

SUBJECT: CUMMINS DIESEL INTERNATIONAL LTD. - OPIC INSURANCE  
CONTRACT 8513

FOR:COURTNEY

1. REFERENCED OPIC INSURANCE CONTRACT WAS ISSUED TO INVESTOR ON JUNE 27, 1974 COVERING A FIFTEEN MILLION DOLLAR INVESTMENT BY CUMMINS DIESEL IN CUMMINS INDUSTRIAS, S.A. OF FIFTEEN MILLION DOLLAR INVESTMENT, TEN MILLION DOLLARS WAS CONTRIBUTED AS EQUITY AND FIVE MILLION DOLLARS AS DEBT. ORIGINAL REGISTRATION LETTER PROJECTED INVESTMENT AT EIGHT POINT SIX MILLION DOLLARS. CUMMINS HOLDS TWO FOREIGN GOVERNMENT APPROVALS (FGA) TOTALLING TEN MILLION, ONE FOR FIVE MILLION DOLLARS IN EQUITY AND THE SECOND FOR FIVE MILLION DOLLARS IN DEBT, BOTH ISSUED 13 AUGUST 1973.

2. BECAUSE INVESTMENT TOTALLED FIFTEEN MILLION DOLLARS AND FGAS COVERED ONLY TEN MILLION DOLLARS, SUBJECT IN-  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 143425

SURANCE CONTRACT REQUIRED CUMMINS TO OBTAIN ADDITIONAL

FGA FOR FIVE MILLION DOLLAR DIFFERENCE. CUMMINS HAS BEEN TRYING UNSUCCESSFULLY TO GET ADDITIONAL FGA AND WE ARE ADVISED BY SWADESH S. KALSI, CUMMINS' CORPORATE ATTORNEY, THAT DIFFICULTY ARISES FROM CENTRAL BANK UNWILLINGNESS TO ISSUE

ADDITIONAL FGA WHEN ORIGINAL REGISTRATION FORM (A COPY OF WHICH WAS PROVIDED TO THE CENTRAL BANK) SHOWS PROSPECTIVE INVESTMENT AT EIGHT POINT SIX MILLION DOLLARS.

3. REQUEST EMBASSY ADVISE CENTRAL BANK THAT REGISTRATION FORM IS VERY PRELIMINARY DOCUMENT DESIGNED ONLY TO PROVIDE NOTICE OF INTENTION TO USE OPIC PROGRAMS AND THAT INFORMATION CONTAINED THEREIN IS USUALLY, AND IN CUMMINS' CASE HAS BEEN, UPDATED THROUGH FORMAL APPLICATION. PLEASE ASSURE CENTRAL BANK THAT OPIC IS AND HAS BEEN FULLY AWARE OF THE FIFTEEN MILLION DOLLAR MAGNITUDE OF THE CUMMINS INVESTMENT AND SUPPORTS THE COMPANY'S PETITION FOR AN ADDITIONAL FOREIGN GOVERNMENT APPROVAL. INGERSOLL

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENTS, INVESTMENT GUARANTEES, CONTRACTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE143425  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** BTMANSBACH  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750213-0701  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750637/aaaabhpz.tel  
**Line Count:** 80  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN OPIC  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** greeneet  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 28 FEB 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <28 FEB 2003 by PhilliR0>; APPROVED <19 FEB 2004 by greeneet>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CUMMINS DIESEL INTERNATIONAL LTD. - OPIC INSURANCE CONTRACT 8513  
**TAGS:** EINV, BR, US, OPIC, CUMMINS DIESEL INTERNATIONAL LTD  
**To:** BRASILIA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006